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Identical letters dated 21 June 2017 from the Permanent Representative of Australia to the United Nations addressed to the Secretary-General and the President of the Security Council

I have the honour to forward to you the report of the assessment of the High-level Review of United Nations Sanctions (see annex).

The assessment was sponsored by the Government of Australia to assess the progress made on the recommendations contained in the Compendium of the High-level Review, which was launched in November 2015.

I would be grateful if the present letter and its annex could be circulated as a document of the Security Council.

(*Signed*) Gillian **Bird**

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Annex to the identical letters dated 21 June 2017 from the Permanent Representative of Australia to the United Nations addressed to the Secretary-General and the President of the Security Council

Assessment report

Achievements, challenges and opportunities resulting from the recommendations of the Compendium of the High-level Review of United Nations Sanctions

Preface

In 2014, representatives of Member States, the United Nations system, civil society and the private sector convened over a series of workshops to undertake the first comprehensive review of United Nations sanctions. The outcome of the review was a compendium launched in November 2015 containing 150 practical recommendations to further refine sanctions and their implementation in order to better protect nations and victim communities, enhance the preventive benefits of sanctions and shape targeted measures with even greater precision. Australia, as one of the co-sponsors of the Compendium along with Finland, Germany, Greece and Sweden, has been pleased with the uptake of many of the recommendations as well as the ongoing use of the Compendium as a reference tool.

The recommendations in the Compendium were also envisaged as a starting point for further initiatives and discussion. It was in this spirit that Australia undertook an assessment of the High-level Review.

The direction of the assessment was left largely in the hands of Member States and other stakeholders and, in the course of an eight-month-long outreach process conducted with our partners from Compliance and Capacity Skills International, several core themes emerged. The themes included cooperation, collaboration, transparency and capacity-building and form the central elements of the assessment report.

Overwhelmingly, the input we received from stakeholders was positive and highlighted the importance of United Nations sanctions as a critical non-military response to threats to global peace and security and focused on ways and means to refine the tool for the betterment of all.

I would like to thank all those who contributed to the assessment report. I sincerely hope the report will play a part in further strengthening United Nations sanctions and serve to continue the important discussions commenced through the High-level Review Compendium.

(*Signed*) Gillian **Bird**
Permanent Representative of Australia
to the United Nations

Acknowledgements and disclaimer

The assessment report reflects views expressed by representatives of United Nations Member States who participated in an outreach programme of consultations, round tables and workshops between 13 September 2016 and 13 April 2017. The report concludes the assessment, the process sponsored by the Government of Australia and supported by the original conveners of the High-level Review of United Nations Sanctions, Finland, Germany, Greece and Sweden, as well as many other participating Member States. The participation of any Member State's representatives in the consultations related to the assessment report does not imply an endorsement by those States.

Australia facilitated the relevant research and, together with the Governments of Sweden and Chile, convened assessment meetings and contributed to the drafting of the text. Enrico Carisch and Loraine Rickard-Martin of Compliance and Capacity Skills International organized the assessment and drafted the report, as they did with Sue Eckert of the Watson Institute for International and Public Affairs for the preceding High-level Review of United Nations Sanctions (2013-2014).

The assessment project was intended as an opportunity for Member States to reflect on the 150 recommendations developed during the High-level Review and published in the Compendium. Efforts were undertaken to allow for broad consultations, while the objective was to identify priority recommendations and to format them in a more pragmatic and succinct manner to facilitate the consideration of possible next steps.

The High-level Review Compendium and the assessment report are intended to serve as a basis for ongoing dialogue and engagement in promoting more effective and collaborative United Nations sanctions procedures. In order to ensure continuing access to the output of this sanctions reform process, Compliance and Capacity Skills International has built and will maintain a dedicated password-controlled web page for the High-level Review and the assessment. The present document will be available in digital format, in print as a booklet and as an official United Nations document.

All workshops and round tables were conducted following the Chatham House rules. Member States are identified in a few instances, according to their request.

On behalf of the sponsor, we thank all participants in the assessment for their continued contributions of time, insights and ideas to this United Nations sanctions reform effort.

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Summary

The Government of Australia decided to mark the one-year anniversary of the launch of the High-level Review of United Nations Sanctions Compendium with a stocktaking exercise. It envisioned an assessment by Member States of how the 150 High-level Review recommendations had already advanced the implementation of United Nations sanctions and where further focus and attention were required. Australia's initiative also follows the views shared by the sponsors of the High-level Review of United Nations Sanctions, Australia, Finland, Germany, Greece and Sweden, who frequently pointed out that the outcome of the review was not intended as the final result, but rather a staging point for more granular reviews to follow. Accordingly, the High-level Review results propelled further enhancements to the effectiveness, fairness and transparency of the United Nations sanctions system almost immediately after the 150 recommendations contained in the High-level Review Compendium were released in November 2015.

The High-level Review assessment commenced in September 2016 with a series of exploratory round tables and bilateral meetings. These events were held with current and incoming members of the Security Council and with United Nations Member States with specific regional or thematic affiliations. Outreach briefings open to all Member States were held in November 2016 during Geneva Peace Week (Switzerland) and in October 2016 during United Nations Law Week (United Nations Headquarters, New York), as well as in March 2017 (United Nations Headquarters, New York). Additionally, an assessment survey was provided to interested Member States, and interactions with approximately 350 international companies were initiated. A password-protected website provided interested actors with access to review and comment on all pertinent documents.

The consultations helped to identify important advances already made during the High-level Review and in the intervening months since the release of the High-level Review Compendium: for example, increased transparency in the form of open briefings by some sanctions committees, higher rates of visits of sanctions committee chairpersons to sanctions-affected countries and regions, as well as far more effective communication on measures included in sanctions regimes and designations of persons and entities for individual targeted sanctions, as facilitated by the Secretariat. Intensified cross-thematic exchanges among sanctions monitoring experts have also been reported. Elaboration of areas deserving sustained further attention yielded substantive contributions related to six thematic clusters:

- Strengthening overall cooperative efforts within the United Nations sanctions system;
- Enhancing cooperation between the United Nations sanctions system and the private sector;
- Improving definitions and standards used in sanctions resolutions and related documents;
- Refining the due process practices of the United Nations sanctions system;
- Supporting States that bear a disproportionate sanctions implementation burden;
- Addressing other and new issues.

The assessment report reviews key arguments raised by Member States for or against an approach to resolve these issues. It also summarizes suggestions for tangible improvements, without necessarily advocating specific actions or language related to such efforts. Several States suggested that it was time for informal consultations and recommendations to lead to formal Security Council decisions.

However, others considered it more prudent if interested States were to proceed with informal deliberations in order to arrive at proposals that might garner support from Security Council members and eventual consideration and adoption by the Council. Accordingly, the report frequently refers to "informal working groups", leaving a path open for any State that may wish to participate in taking an issue to the Security Council for consideration.

The report endeavours to fairly reflect the varied views expressed by representatives of Member States, including permanent members of the Security Council who participated in this outreach programme. In this regard, we wish to note that a permanent member of the Council disagreed with the High-level Review process and observed that the 2006 report of the Informal Working Group on General Issues of Sanctions drafted under Greek leadership addressed adequately all relevant issues (S/2006/997).

Achievements and opportunities

Participants in the assessment consultations and outreach events reported tangible progress on a number of High-level Review recommendations. While the full potential of the envisioned enhancements were in no aspect fully realized, it is evident that many stakeholders have taken the spirit and the letter of the High-level Review to heart. Notable achievers are the chairs and members of sanctions committees, and the Security Council Affairs Division for its responses to some of the recommendations despite ongoing budgetary and other resource constraints.

Reported achievements can be grouped into three categories:

A. Procedures for more effective cooperation and transparency among all sanctions stakeholders

B. Processes that promote more accurate and collaborative sanctions implementation

C. Augmenting the sanctions implementation capacity of States that bear a disproportionate implementation burden

A. More effective cooperation and transparency among all sanctions stakeholders

Discussions and recommendations to strengthen cooperation and transparency in the United Nations sanctions system were aimed at the following sanctions actors:

1. Committee chairs and members and expert monitoring groups
2. Sanctions-affected States and related regional organizations
3. The private sector

1. Enhancing external and internal cooperation and the transparency of the United Nations sanctions system (sanctions committee chairs and expert groups)

More transparent and collaborative procedures would lift the curtain on the United Nations sanctions system, dispel misunderstandings and boost implementation. Several participants in the assessment reported that sanctions committee chairs and members had already heeded the call for more transparency. Some examples are the convening of far more open briefings and debates and Arria formula meetings on sanctions-related themes; inviting affected States and regional organizations to some committee deliberations; and conducting visits to sanctions-affected countries for

consultations, including with regional actors. The release of Implementation Assistance Notices was considered to be a particularly helpful method to ensure better cooperation and transparency concerning the Council's intentions as contained in sanctions resolutions. The Security Council Committee established pursuant to resolution 1718 (2006), in collaboration with its related expert panel, was leading the way with the drafting and adoption of a total of seven Implementation Assistance Notices and additional efforts to facilitate the implementation efforts of States.

During the High-level Review consultations and after the launch of the Compendium, sanctions committee chairs intensified their efforts to brief their successors among the incoming elected 10 members of the Security Council (E10) to provide practical hands-on information not included in the substantive handover briefings conducted by the Secretariat. An informal group of committee experts also met periodically to seeks ways of streamlining committee paperwork. A specific outcome was the creation of a template for use by committees in their deliberations on requests for exemptions to the various sanctions measures (see annex I). A participant noted that those advances added to earlier improvements, which included narrative summaries for new listings, periodic reviews of listings, clearer criteria for listings, enhanced exemption procedures and procedures of the Focal Point for Delisting for basic and extraordinary exemption requests.

Discussions also centred on creating specific tools to assist incoming chairs and experts from E10 and new expert group members. Such guidelines or manuals could elaborate rights and obligations, working methods, practices and procedures, and standard operating procedures. They could also include the relationship with penholders and the Secretariat and support by committee secretaries to the committee chairpersons and members and expert groups. The examples of Spain and New Zealand which, at the end of their chairmanship of sanctions committees shared insights and lessons learned with their successors, were mentioned as a good starting point for such guidelines.

Recommendation 1. Some States suggested that, working within the format of the High-level Review, an informal working group of interested States should initiate drafts of appropriate manuals for incoming chairs, E10 members and expert groups.

It was emphasized that one of the challenges faced by sanctions committees related to the decision-making consensus rule that, in effect, affords each of the 15 States members a veto vote, including on procedural and substantive decisions. While consensus is ideal given the strength shown by such unity and the requirement to take all views into account, the need for full consensus on technical and procedural matters can lead to unnecessary politicization, which could hamper the effectiveness of the committee's work.

Recommendation 2. New Zealand recommended that committee members avoid decisions that encumber the effectiveness of the committee's work. It also proposed that the Council review committees' consensus decision-making practice with a view to changing it.

2. Sanctions-affected States and related regional organizations and institutions

Several participants commented positively on the significant outreach to States affected by sanctions and undertaken by some sanctions committee chairs since the inception of the High-level Review consultations in Spring 2014. Progress related to this effort includes more frequent committee meetings with these States for discussions of specific compliance questions, findings by expert groups and visits by the chairs and some committee members to the regions and countries to which sanctions regimes apply.

During 2012, only three of nine sanctions committees with a requirement to report periodically to the Security Council did so in public, and only two meetings between sanctions committees and subject/regional countries were held in the preceding seven years (Democratic Republic of the Congo and Somalia, both in 2007). However, for the year 2015, 7 of 11 sanctions committees reported in public, and five sanctions committees held meetings with subject and regional States.

According to their annual reports for 2016, sanctions committee chairs held 20 informal consultations with representatives of international or regional organizations or special representatives of the Secretary-General. They held 22 consultations or briefings with United Nations delegations of non-E10 Member States. They further visited 14 sanctions-affected States and held two open briefings. Sanctions committees issued at least 12 notes verbales providing guidance on implementation-relevant issues and procedures. They updated existing Implementation Assistance Notices and lists of weapons of mass destruction-related items or conventional dual-use materials, sent letters to international organizations and issued numerous press releases.

A view shared by many participants is that States to which sanctions are applied could benefit further from meetings with the committee if the discussions focused in greater detail on potential capacity assistance requirements. With regard to capacity constraints, expert groups are reported, in the context of non-proliferation sanctions and the related process of the Security Council Committee established pursuant to resolution 1540 (2004), to have provided particularly valuable services in the form of technical advice and guidance.

Recommendation 3. Some States recommended enhancing collaboration and communication between the United Nations sanctions actors and their counterparts in regional organizations and institutions to ensure more timely adoption of Security Council sanctions by their States members. Several States also expressed support for additional collaborative assistance to enable sanctions-affected States to strengthen their institutional capacities.

3. Outreach to the private sector

Increasingly complex United Nations sanctions measures require sophisticated implementation capacities not only from States but also from companies. Participants in the assessment noted that while the largest global private companies had considerable skills and capacities to comply with United Nations sanctions, thousands of medium-sized companies, operating from countries with lesser oversight and sanctions implementation capacities, tended to be overstretched by compliance demands.

In the context of non-proliferation sanctions and the related process of the 1540 Committee, outreach to companies and States that suffer from capacity bottlenecks was frequently cited, including with regard to implementation of the complex provisions of the sanctions regime imposed on the Democratic People's Republic of Korea under Security Council resolution 1718 (2006). Germany's export control authority, the *Bundesamt für Wirtschaft und Ausfuhrkontrolle*, and its Wiesbaden process were mentioned as a model that could perhaps be emulated and adjusted to fit the requirements of the United Nations non-proliferation sanctions measures.

Some participants recalled that national prerogatives for enforcing United Nations sanctions might be diluted by an excessive focus on private sector sanction implementation issues and expressed the view that outreach to the private sector should not be the responsibility of the United Nations. On the other hand, a number of States, and institutional shareholders who own significant percentages of

companies operating around the world, expressed an interest in ensuring that their companies incur no material or reputational risks associated with United Nations sanctions. They would like to restrain corporate activities that might contribute to violations of United Nations sanctions or human rights. In order to achieve that objective, investors would like to obtain periodic briefings on potential threats, policies and sanctions responses. They seek the establishment of an informal working group with interested United Nations Member States to develop guidelines and compliance verification procedures. They intend to urge their companies' compliance departments to apply those tools and insights.

B. More accurate and collaborative sanctions implementation

The consultations on this topic revolved around the following themes:

1. Harmonization of sanctions definitions and terms and related texts and procedures
2. Independence and working conditions of the Office of the Ombudsperson
3. Enhancing overall due process procedures

1. Harmonization of sanctions definitions and terms and related texts and procedures

The efforts of sanctions chairs and the Secretariat to streamline procedures and, in particular, the committee web pages have contributed to a sense of an incrementally improved harmonization of sanctions processes. This advance was notable despite the continuous complexities of the counter-terrorism and non-proliferation regimes and processes and the need for all sanctions regimes to retain distinct responses to the particular threats and risks to international peace and security they confront. While the challenge of diverse sanctions policies and objectives was recognized, so was the need to take account of their advantages.

Participants emphasized that sanctions committees had developed harmonized texts for the various forms of exemptions to targeted sanctions, although no common template was currently applied except the questionnaire developed by New Zealand during its chairing of the Security Council Committee established pursuant to resolution 1267 (1999) concerning Al-Qaida and the Taliban and associated individuals and entities. Some States called for systematic collaboration by all sanctions committees with the International Criminal Court to provide standard travel ban exemptions for individuals required to attend procedures in international judicial venues. The second issue raised was an automatic designation of all individuals under an International Criminal Court arrest warrant. Several committees have already adopted relevant travel ban exemptions, although the International Criminal Court has not provided more detailed explanations for either of the two requests.

The Security Council Committee established pursuant to resolution 1718 (2006) contributed another incremental clarification with the release in December 2016 of the first consolidated list of items applicable under the luxury goods sanctions. Beyond those efforts, no system-wide definition of widely used terms was yet available. Those interested in expanding definitions emphasize the need to build on the already accepted and internationally used standardization work by the Financial Action Task Force, the World Customs Organization, the International Civil Aviation Organization, the International Atomic Energy Agency and related international non-proliferation instruments.

The dissemination of information related to designated individuals and entities has markedly improved with the creation of a consolidated, multi-language list, including a list search platform (https://scsanctions.un.org/search/). This and other efforts were undertaken by the Security Council Affairs Division in part to compensate for an envisioned sanctions technical committee proposed in 2014 in a Security Council resolution that was not adopted.

Additional tasks undertaken by the Secretariat include retooling of the sanctions committees' web pages, which now contain detailed discussions of sanctions measures and their background. Applicable exemptions are presented in a standardized format that also includes pertinent public data on the individual sanctions committee, its chair, mandate and guidelines for its work. Where relevant, the web pages also provide explanations for listing criteria that the committee must consider before it designates an individual or an entity for targeted sanctions. The web pages continue to provide access to all relevant resolutions, press releases, expert group reports and appointments, the committees' annual reports to the Security Council and implementation reports by individual States. Furthermore, each committee website also contains links to the guidelines for the committee's work and, where available, to Implementation Assistance Notices.

Recommendation 4. A number of participants, including current and former chairs of sanctions committees, suggested that an informal working group of interested States could compile texts and definitions for terms routinely used for sanctions implementation and draft, where appropriate, standardized forms or language. In order to maximize buy-in for these drafting products, they further recommended that committee chairs, E10s and non-members of the Council be invited to participate in such a working group.

2. Independence and working conditions of the Ombudsperson

The Group of Like-Minded States on Targeted Sanctions elaborated on recommendations contained in the High-level Review Compendium for the expansion of the mandate of the Ombudsperson and the Focal Point for Delisting. They released, in November 2015, a document that proposed a number of additional measures. While many of these issues remain the subject of ongoing discussions among members of the 1267 Committee, incremental progress has been reported on the question of how the independence of the Office of the Ombudsperson could be further safeguarded. The Ombudsperson has provided regular progress updates in her reports (Security Council documents S/2016/671 and S/2017/60).

While the expected upgrading of the status of the Ombudsperson within the United Nations system could not be easily accommodated by current United Nations regulations, an informal arrangement by the Secretariat is now in force to better protect the integrity of the Office. Specifically, High-level Review recommendation 44[1] has been implemented in part with the following four accommodations:

- The views of the Ombudsperson will be taken into account in performance appraisals of staff supporting the Office;
- All recruitment processes for staff supporting the Office will involve the Ombudsperson and her views will be taken into account;

[1] Recommendation 44. The Secretary-General, in reviewing arrangements for appointing and supporting Security Council mandated experts, should propose options for ensuring that the administrative, contract and other support arrangements for the Ombudsperson are specific to the distinct role and include institutional protections to actually meet the definition of an "independent office".

- The Ombudsperson will have access to all material, including electronic drives, relevant to the work of the Office;

- The Ombudsperson will have full editorial control of the Office website.

In opposing the view held by many participants that the mandate of the Office of the Ombudsperson should be expanded to cover all sanctions regimes, a participant expressed the view that such an expansion was unnecessary because the Focal Point mechanism fulfils the delisting element.

Recommendation 5. A majority of participant Member States expressed their interest in further exploring opportunities to expand the mandate of the Office of the Ombudsperson, perhaps in incremental steps, across all United Nations sanctions regimes. One suggestion was to seek initially a conceptual consensus among permanent (P5) and elected 10 (E10) Member States on the expansion of the Ombudsperson's functions to non-counter-terrorism sanctions regimes, rather than seek immediate agreement on an expanded Ombudsperson's mandate.

3. Enhancing overall due process procedures

Shortly after the release of the High-level Review Compendium, interested States and other sanctions system stakeholders initiated discussions on ways to enhance due process procedures across the entire United Nations sanctions system. It was held that notwithstanding efforts to improve the mandate of the Office of the Ombudsperson, all other actors in the sanctions implementation system require higher awareness of their due process obligations in order for the system to be effective and fair.

To better understand possible further remedies, some participants expressed an interest in exploring all potential incremental steps that the United Nations sanctions system could take in order to protect an actual or potential designee's rights. This interest is prompted in part by ongoing court challenges on the basis of procedural inequities.

Participants discussed how expert groups could be encouraged to strengthen their evidentiary standards and the bases on which sanctions committees may question their adherence to such standards. As part of a system-wide due process approach, both members of expert groups and sanctions committees were encouraged to explore methods for the determination and communication of culpability,[2] seek ways to accord the right of reply to alleged perpetrators without risking the flight of assets and ensure that exculpatory information is investigated and, where relevant, reported. Sanctions committees could be encouraged to verify reporting standards, in particular information that may lead to designations. They should also ensure that designees are informed in a timely manner about their designations, as well as all Member States and their relevant law enforcement organizations, while maintaining continuous monitoring to ensure that reasons and criteria for designations remain valid. The various suggestions by participants are summarized in annex IV.

Recommendation 6. Participants recommended that a High-level Review-styled working group of interested States, members of sanctions committees, former members of expert groups, the Ombudsperson and the Focal Point for United Nations sanctions, as well as external legal professionals, draft a manual with step-by-step due process guidance for all sanctions implementation actors. It was further suggested that the resulting draft manual should serve as a basis for a Security Council document, as well as for ongoing sanctions training.

[2] Perhaps elaborating on the current practices by some expert groups to review the degree of confidence experts have in the credibility of information and sources.

C. Augmenting the sanctions implementation capacity of States that bear a disproportionate implementation burden

A substantial number of States and United Nations organizations stressed, during the High-level Review consultations, the need for fundamental improvements in how the international community strengthens the sanctions implementation capacities of States that assume a disproportionately high implementation burden owing to geographic location or trade flows. The resulting High-level Review recommendations anticipated that those challenges would be met mostly by the United Nations system. However, it became apparent that without significant supplemental funding, most United Nations agencies would not be able to expand assistance to States. Consequently, discussions began, even before the assessment was initiated, on determining new and alternative capacity-promoting avenues. One participant referenced the Financial Action Task Force peer review process through which States assess one another's capacities to regulate their financial industries and implement structural requirements, including those pertaining to financial sanctions processes.

A group of likely recipient States met informally several times to elaborate preferences and principles to guide their capacity enhancement efforts. A primary capacity constraint experienced by most States is the lack of accurate and pragmatic information on all sanctions implementation issues. It was further noted that capacity requirements are not equal for all States and should be determined on the basis of a State's individual exposure to risks and threats.

It was further resolved that once specific capacity assistance projects were implemented, they tended to yield dual benefits, by not only enhancing the ability to monitor and enforce sanctions, but also by strengthening related functions. Beneficial synergetic effects would likely accrue to a State's overall rule of law, security and border control or its financial infrastructure. Based on these consultations, a template was drafted (see table below) that summarizes desirable areas of sanctions implementation capacity assistance.

Implementation assistance requirements

Laws					
Drafting laws and legislative texts		Translation of all relevant text into official national languages		Dissemination in print and electronic format	
Rules, regulations, oversight procedures and implementation guidance					
Financial oversight authority	Export control agencies and airport/ seaport directorates	Airspace, coastal and riverine regions	Immigration, refugee and internally displaced person controls	Defence production, trade and export	Law-enforcement and national security
Guides for exemptions	Guides for exemptions	Guides for exemptions	Guides for exemptions	Guides for exemptions	Guides for exemptions
Translation	Translation	Translation	Translation	Translation	Translation

Technical tools and systems for border control			
Fingerprinting and biometrics	Advance passenger identification systems	Cargo scanners and X-ray equipment	Advance cargo inspection and identification
Drone-based surveillance	Metal and explosive scanners	Geiger counters	Digital tracking for sensitive transit cargo

Critical infrastructure monitoring	
Robot/video surveillance of sensitive border regions	Video and scanner surveillance of defence installations

Training					
Financial oversight authority	Export control agencies and airport/ seaport directorates	Airspace, coastal and riverine regions	Immigration, refugee and internally displaced person controls	Defence production, trade and export	Law-enforcement and national security

Recommendation 7. Participants recommended an exploration of the following priorities through an informal working group of interested States and private sector actors:

- The development of a self-assessment tool for States' requirements for technologies, services and institutional support in order to meet all sanctions implementation obligations;
- Enhancing knowledge of technologies, services and support available either from institutions or the private sector;
- Mobilizing the private sector's ability to provide pertinent services and technologies; exploration of funding technologies;
- Exploration of potential funding sources.

Important capacity-building steps had already been undertaken, for example in the sanctions regime imposed on the Democratic People's Republic of Korea under Security Council resolution 1718 (2006). The committee chair, ably assisted by the Panel of Experts, initiated the drafting of a number of Implementation Assistance Notices, most notably the Guidelines on the Preparation and Submission of National Implementation Reports, which also include a detailed checklist. This experience suggested that expert groups could be engaged more directly in assessing States' implementation capacity requirements.

A particularly trenchant outcome of High-level Review Working Group 2, which focused on interaction and integration among sanctions actors, resulted from the participation of the Society for Worldwide Interbank Financial Telecommunication (SWIFT) at one of the earliest High-level Review workshops. Noticing the lack of effective and direct communications between the United Nations sanctions system and global financial institutions, a pragmatic collaboration with the Secretariat was formed. SWIFT, as the most widely used conduit for transactions and compliance information to the global financial industry, instituted an information and screening tool through which the members of SWIFT gain real-time access to accurate and

updated United Nation sanctions designation information. Participants encouraged ongoing collaborative arrangements with SWIFT and similar services and ensuring that emerging complementary services such as the China International Payment System are integrated into those efforts as well.

D. Other and new issues

As the United Nations sanctions system evolves, participants have observed that implementation requirements must be continuously adapted as well. After the release of the High-level Review Compendium, three areas of particular broad interest were raised by participants in the assessment:

1. De-risking of financial flows in conflict zones
2. Integrating Chapter VI considerations into United Nations sanctions procedures
3. Field security for expert groups

1. De-risking

A number of participants pointed to a recently observed challenge faced by United Nations and other organizations that provide humanitarian aid to civilian populations in areas under the control of armed forces or terrorist organizations. It was noted that under the prevailing asset freeze measures and anti-money-laundering/combating the financing of terrorism mechanisms, it is virtually impossible to transmit funds to such organizations operating in these high-risk regions. Often, a few financial institutions or, more likely, remittance services continue to serve long-established clients, usually individuals and small merchants. However, they tend to deny services to new organizations and for large remittances out of fear of being perceived as a sanctions violator. Those that were engaged in de-risking studies, for example, the World Bank or other international institutions, caution that finding solutions to this unintended consequence may be a fraught exercise.

Recommendation 8. While recognizing that de-risking (or minimizing) the effects of conflict and instability on innocent populations is a concern that the global financial system has been grappling with for some time, participants pointed to the need for a very narrow United Nations sanctions system-relevant solution. Taking into consideration the need for a very focused de-risking approach, participants suggested that model exemption language should be drafted by an informal working group of interested States. It was also suggested that the concerns of financial institutions must be alleviated so as to facilitate an effective but narrow flow of funds to aid providers in sanctioned territories. At the same time, recipients must be accountable to the relevant sanctions committees for the transmitted funds to ensure that they are used for authorized purposes and are not diverted to individuals and entities under an asset freeze.

2. Integrating Chapter VI considerations into United Nations sanctions procedures

Weak political will was widely recognized by participants as one of the primary causes of inadequate sanctions implementation. An important High-level Review goal was to address the underlying scepticism of some Member States concerning the United Nations sanctions system. A participant State member of the Non-Aligned Movement of Countries drew attention to the Final Document of the Seventeenth Summit of Heads of State and Government of the Non-Aligned Movement of Countries, held in Margarita, Bolivarian Republic of Venezuela, on

17 and 18 September 2016. Under article 98.5, the Final Document of the Heads of State expressed that Security Council-imposed sanctions remain an issue of serious concern to Non-Aligned Countries in view of the tenable legal grounds, impartiality and justice. Among other concerns, the following two were highlighted:

- The adoption and implementation of United Nations sanctions is permissible only after all provisions under Chapter VI of the Charter of the United Nations are exhausted;
- The implementation of United Nations sanctions tends to victimize innocent citizens.

Recommendation 9. Some participants suggested that interested States should convene a High-level Review-style informal consultation to explore whether and how Chapter VI measures could be applied more effectively before sanctions are adopted. More active engagement of States members of the Non-Aligned Movement of Countries, as the largest block of States and populations in the world, could assist in building a more effective United Nations sanctions system.

3. Field security for expert groups

Concerns related to the composition and recruitment of expert groups, their methodology and independence, were important points of consultations during the High-level Review and the assessment. There is widespread agreement that experts deliver an indispensable service to sanctions committees and States while often finding themselves in the midst of political contests. Predictably, some States see room for improvement in expert group reports they deem to be subject to uneven methodological standards. Some participants in the assessment have noted that the implementation of High-level Review recommendations 36 to 41 has so far lagged.[3]

Expert groups have been deployed in a total of 13 sanctions regimes over the 16 years of the existence of such groups. The tragic killing of two experts in the Group of Experts of the Democratic Republic of the Congo while on a mission in that country and the disappearance of their support team, in March 2017, raise the need for careful re-evaluation. Contract, physical security and risk issues were addressed in the High-level Review Compendium, most presciently in the final

[3] 36. The Secretary-General should ensure that appointments of experts are made on the basis of expertise and merit, to deliver a consistent standard of expertise across all expert groups, free of conflict of interests.
37. The Council should request the Secretary-General to review present arrangements and recommend options for the establishment of a sustainable system for appointing and supporting Security Council mandated experts. The conditions of service should facilitate the performance of their functions, attract and retain the very best professionals for this role, as well as be supported with timely and high-quality administrative and logistical support.
38. The Department of Political Affairs and the Office of Human Resources Management and representatives of expert groups should consult on terms and conditions that are reflective of their important specialized role.
39. The Security Council should request that the Secretary-General ensure that expert groups receive the necessary administrative and substantive support to effectively, safely, and in a timely manner, fulfil their mandates, including with regard to duty of care in high-risk environments.
40. The Security Council should request an improved performance assessment system for expert groups to include both an assessment of expert groups, and an assessment of the United Nations administrative and logistical support to expert groups, based on structured feedback from experts themselves.
41. The Secretary-General should authorize upon request access by expert groups to United Nations system reporting on relevant situations, including code cables and the DSS feed, on the condition that such information would only be used for background understanding and would not be cited in public reports without the consent of the originators.

paragraph under "Chapter V. Supporting sanctions infrastructure: Section B. Expert Groups":

> Expert Group members consulted by the Review drew particular attention to the physical threats to which their functions exposed them. Depending upon the nature of the group's investigation, the threat could extend beyond dangers inherent in field work in conflict zones to include direct personal threat from the individuals or entities being investigated (for example, terrorist organizations). These experts contended that fieldwork should be conducted with proper duty of care from the United Nations, with effective duty of care policies in place, whereas much of the risk was borne by individual experts, which placed them in a precarious position.

The Secretary-General has announced that a review of the circumstances surrounding the killings will be undertaken.

Recommendation 10. The call made by the participating expert group members during the High-level Review consultations for proper duty of care from the United Nations, with effective duty-of-care policies in place remains the only pertinent suggestion. This point is self-evident considering that along with expert group mandates, the Security Council also mandates the Department of Political Affairs, the Department of Peacekeeping Operations and the Department of Safety and Security to assist logistically, with tactical information and security. The Security Council, the Secretariat and Member States should seek transparency on what specifically this duty of care entails, if these killings are to remain a tragic exception to the otherwise remarkably effective and safe United Nations sanctions monitoring system. The Security Council might wish to request briefings on the progress on any internal review that the Secretariat is conducting.

Annex I

Form for travel ban and assets freeze exemption requests by the Government of Afghanistan

Explanation of form and process

This form is to support applications from the Government of Afghanistan for exemptions to the travel ban and assets freeze measures in paragraphs 1 (a) and (b) of Security Council resolution 2255 (2015). The Committee will decide upon exemptions within 10 days.

Any requested exemption to the travel ban should be accompanied by a request for an exemption to the assets freeze measures for funds to support the proposed travel. This will be considered in tandem with the requested exemption to the travel ban measures.

This form is to assist the Government of Afghanistan, in close coordination with the High Peace Council, to submit for the Committee's consideration travel ban and assets freeze exemption requests for listed individuals for whom it confirms travel to such specified location or locations is necessary to participate in meetings in support of peace and reconciliation.

For further detail on the process for exemptions, please consult the exemptions section of the 1988 Committee's website and the 1988 Committee guidelines.

Draft form for travel ban and assets freeze exemption requests under paragraphs 19 and 20 of resolution 2255 (2015)

The Permanent Mission of (Afghanistan) to the United Nations presents its compliments to the Security Council Committee established pursuant to resolution 1988 (2011), and has the honour to request a travel ban exemption for (*insert name of individual on the 1988 sanctions list*), and an exemption from the assets freeze measures to support this travel, as set out below.

Individual's name(s) and address(es)	
Permanent reference number(s) on sanctions list	
A. Travel ban exemption	
(i) Passport or travel document number(s)	
(ii) Location(s) the individual(s) will travel	*(include transit points)*
(iii) The period of time the individual(s) is/are expected to travel	*(provide time frame, which is not to exceed nine months)*
B. Assets freeze exemption	
(1) Recipient's bank information *(if appropriate)*	
(2) Details of funds to be released	*(provide total amount)*

(i) Transportation	*(provide details and amount if relevant/known)*
(ii) Lodging	*(provide details and amount if relevant/known)*
(iii) Other expenses	*(provide details and amount if relevant/known)*
(3) Payment starting date	
(4) Payment frequency	One-off/monthly/other *(insert)*
(5) Number of instalments *(if relevant)*	
(6) Form of payment *(if relevant)*	Bank transfer/direct debit *(delete one)*
(7) Interest *(if relevant)*	*(provide amount if known)*
(8) Other information	*(please provide any other information considered relevant to assist the Committee in its consideration and attach any relevant documents)*

C. Point of contact

(Please provide details of contact point at Mission should there be any questions on this submission)

Name:

Phone number:

Email address:

Annex II

Applications for exemptions to the assets freeze measures in paragraph 2 (a) of Security Council resolution 2253 (2015)

Explanation of form and process

This form is to support applications for exemptions to the assets freeze measures in paragraph 2 (a) of Security Council resolution 2253 (2015). The Committee will decide upon exemptions pursuant to paragraph 75 (a) of resolution 2253 (2015) ("basic expenses exemption") within three working days of notification, provided all necessary information has been provided. The Committee will decide upon exemptions pursuant to paragraph 75 (b) of resolution 2253 (2015) ("extraordinary expenses exemption") within five working days of a request. For further detail on the process for exemptions, please consult the exemptions section of the 1267 Committee's website and the 1267 Committee guidelines.

Draft form for assets freeze exemption request

The Permanent Mission of (*insert country name*) to the United Nations presents its compliments to the Security Council Committee pursuant to resolutions 1267 (1999), 1989 (2011) and 2253 (2015) concerning Islamic State in Iraq and the Levant (Da'esh), Al-Qaida and associated individuals, groups, undertakings and entities and has the honour to notify you of our intention to authorize certain expenditures for the benefit of (*insert name of individual or entity on the sanctions list*).

The envisaged authorization of (*insert total amount; please ensure it matches amounts given below*) concerns:

Individual's/entity's name	
Permanent reference number on sanctions list	
Individual's/entity's address	
Recipient's bank information *(if appropriate)*	
Purpose of payment *(please select one)*	☐ Basic expenses *(please complete sections A, C and D)* ☐ Extraordinary expenses *(please complete sections B, C and D)*
A. If **basic expense(s)** exemption pursuant to paragraph 75 (a) of resolution 2253 (2015):	
(iv) Food	*(please provide amount if relevant/known)*
(v) Rent or mortgage	*(please provide amount if relevant/known)*
(vi) Medicines or medical treatment	*(please provide amount if relevant/known)*
(vii) Taxes	*(please provide amount if relevant/known)*
(viii) Insurance premiums	*(please provide amount if relevant/known)*

(ix) Public utility charges	*(please provide amount if relevant/known)*
(x) Payment of professional fees and reimbursement associated with the provision of legal services	*(please provide amount if relevant/known)*
(xi) Fees or service charges for frozen funds or assets	*(please provide amount if relevant/known)*
(xii) Anything else considered a basic expense but not covered above *(please specify)*:	*(please provide details and amount if relevant/known)*
B. If extraordinary expense(s) exemption pursuant to paragraph 75 (b) of resolution 2253 (2015):	
Anything not covered above *(please specify)*	*(please provide details and amount if relevant/known)*
C. Further information	
Payment starting date	
Payment frequency	One-off/monthly/other *(insert)*
Number of instalments *(if relevant)*	
Form of payment (*if relevant*)	Bank transfer/direct debit *(delete one)*
Interest	*(please provide amount if relevant/known)*
Other information	*(please provide any other information considered relevant to assist the Committee in its consideration and attach any relevant documents)*
D. Point of Contact	
(Please provide details of contact point at Mission should there be any questions on this submission) Name: Phone number: Email address:	

Annex III

Applications for exemptions to the assets freeze measures in paragraph 1 (a) of Security Council resolution 2255 (2015)

Explanation of form and process

This form is to support applications for exemptions to the assets freeze measures in paragraph 1 (a) of Security Council resolution 2255 (2015). The Committee will decide upon exemptions pursuant to paragraph 18 (a) of resolution 2255 (2015) ("basic expenses exemption") within three working days of notification. The Committee will decide upon exemptions pursuant to paragraph 18 (b) of resolution 2255 (2015) ("extraordinary expenses exemption") within five working days of the request. For further detail on the process for exemptions, please consult the exemptions section of the 1988 Committee's website and the 1988 Committee guidelines.

Draft form for assets freeze exemption notification

The Permanent Mission of (*insert country name*) to the United Nations presents its compliments to the Security Council Committee established pursuant to resolution 1988 (2011), and has the honour to notify its intention to authorize certain expenditures for the benefit of (insert name of individual or entity on the sanctions list).

The envisaged authorization of (*insert total amount; ensure it matches amounts given below*) concerns:

Individual's/entity's name	
Permanent reference number on sanctions list	
Individual's/entity's address	
Recipient's bank information *(if appropriate)*	
Purpose of payment (please select one)	☐ Basic expenses *(please complete sections A and C)* ☐ Extraordinary expenses *(please complete sections B and C)*
A. If **basic expense(s)** exemption pursuant to paragraph 18 (a) of resolution 2255 (2015):	
(iv) Food	*(provide amount if relevant/known)*
(v) Rent or mortgage	*(provide amount if relevant/known)*
(vi) Medicines and medical treatment	*(provide amount if relevant/known)*
(vii) Taxes	*(provide amount if relevant/known)*
(viii) Insurance premiums	*(provide amount if relevant/known)*
(ix) Public utility charges	*(provide amount if relevant/known)*

(x) Payment of professional fees and reimbursement associated with the provision of legal services	*(provide amount if relevant/known)*
(xi) Fees or service charges for frozen funds or assets	*(provide amount if relevant/known)*
(xii) Any other basic expenses not covered above (please specify)	*(provide details and amount if relevant/known)*
B. If **extraordinary expense(s)** exemption pursuant to paragraph 18 (b) of resolution 2255 (2015):	
Anything not covered above *(please specify)*	*(provide details and amount if relevant/known)*
C. Further information	
Payment starting date	
Payment frequency	One-off/monthly/other *(insert)*
Number of instalments *(if relevant)*	
Form of payment (*if relevant*)	Bank transfer/direct debit *(delete one)*
Interest	*(provide amount if relevant/known)*
Other information	*(please provide any other information considered relevant to assist the Committee in its consideration and attach any relevant documents)*
D. Point of contact	
(Please provide details of contact point at Mission should there be any questions on this submission) Name: Phone number: Email address:	

Annex IV

Suggested system-wide due process enhancements

The following compilation of recommended measures reflects input from participants in the assessment workshops and previously held High-level Review-consultations. They are intended for illustrative purposes for those who are interested in engaging in further consultations on system-wide due process issues.

Situation	*Responsible sanctions actors*	*Due process requirements*
Start of mandate	Expert group, sanctions committee	Develop and adopt evidentiary standards, working methods for collection and handling of evidentiary material, as well as reporting standards
Decision to initiate a specific monitoring/ investigation	Expert group, sanctions committee	Credible prima facie information must meet reasonable standards that justify experts' inquiries and information requests
		Consider all exculpatory information
Monitoring or investigations of specific situations	Expert group, sanctions committee	Verify prevalence of evidence
		Review exculpatory information
		Ensure right of reply is provided to target, while taking all precautions to preserve the effectiveness of an eventual asset freeze[a] and respecting any Member State's national security prerogatives
		Ensure evidence for culpability meets expert groups' methodology standards
Reporting of findings	Expert group	Report all pertinent evidence, including exculpatory information
		Report substance of replies by target
		Describe conditions under which the right of reply was granted
Consideration of expert group reporting and evidence in confidential annexes	Sanctions committee	Verify that presented evidence was collected in accordance with United Nations and experts' own methodologies and standards
		Verify authenticity of reported evidence
		Verify that right of reply was granted and exercised
		Verify that efforts were undertaken to seek and report exculpatory information
Post-designation	Sanctions committee	Ensure that target is informed about designation
		Ensure that target is advised about opportunity to communicate new information to the expert group
		Ensure that target is aware of Focal Point and Ombudsperson
		Ensure periodic review of designation criteria

Situation	*Responsible sanctions actors*	*Due process requirements*
Petitions to Focal Point/ Ombudsperson	Sanctions committee	Ensure that relevant expert group is consulted Communicate decisions and their reasons to target
Granting of exemption	Sanctions committee	Ensure that relevant Member States inform law enforcement organizations and related organizations about specific exemptions
Post-designation monitoring	Sanctions committee, expert group	Maintain continual monitoring of designee to ensure that reasons and criteria for designation remain valid
Delisting	Sanctions committee	Ensure that delisting decision is communicated to all relevant Member States
		Ensure that all relevant United Nations documents reflect the delisting

[a] Meeting due process standards and preserving the effectiveness of an eventual assets freeze are two tasks that skilful and disciplined finance experts should be able to balance. Technically, experts are not supposed to speculate about possible consequences of actions that could constitute a sanctions violation before they have concluded all investigative tasks. Meeting these dual expectations is standard and in 16 years of expert groups' work, no incident is known where assets were successfully hidden by the prospective designee.